



TWO THIRTY SEVEN SERVICES

Clairbourn Towers 4th Floor (Kwame Nkrumah Strt) 0700 237 000 0738 237 000

TWO THIRTY SEVEN

SERVICES AND

.....(LIMITED).....

.....

TRADE AREA AGREEMENT



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I. Scope and definitions for the Contract

Two thirty seven, trading as Online237, a limited liability company duly incorporated in Kenya and of registration number BN-6GCZ3G7, having its main office located at Clairbourn towers 4th Floor, Kwame Nkrumah Street P.O. Box 7075-01000 Thika, Kenya. Herein represented by Patrick Maina, in his capacity as Managing Director. (Hereinafter referred to as Online237 and shall where the context allows include successors and assigns) of the first part:



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AND

..... **LIMITED**, a Limited Liability Company duly organized under the laws of the Republic of Kenya, trading as..... registered under Registration no.

....., PIN Number, having its main office located at

..... P.O.BOX

..... Herein represented by in his/her capacity as (Hereinafter referred to as Vendor and shall where the context allows include successors and assigns) **OF THE OTHER PARTY** WHEREAS:

TWO THIRTY SEVEN SERVICES is in the business of providing and facilitating e-commerce/online shopping experience in Kenya, via its online marketing platform www.online237.co.ke.

The Vendor intends to sell products at Online237 platform and two thirty seven agrees to allow the Vendor to use its website platform for this purpose on the terms on conditions contained herein below.

The Parties have thus agreed to enter this Agreement in good faith and based on the terms and conditions hereunder set out.

This contract expressly supersedes prior agreement or arrangements with the vendor.

Guidelines available in seller point may apply to certain services, such as operating model, rules, activity or promotion, and such guidelines will be disclosed in Seller point Guidelines are in addition to, and shall be deemed a part of, the present Contract for the purposes of the applicable Operating Model, Rules and Services. Guidelines shall prevail over this Contract in the event of a conflict with respect to the applicable Services.

(2) **Customer Satisfaction as the common interest of both parties:** By signing this contract, both parties agree that customer satisfaction is the ultimate interest guiding the commercial actions and behaviors of both parties.

(3) **Acceptance of the contract:** Every transaction of the Vendor at Online237's platform is bounded to the acceptance of all the terms of this contract as well as the details, annexes and appendices mentioned in this contract and accessible on www.online237.co.ke and to Vendor's renunciation to claim any of its own general terms and conditions of sales.



(4) **Definition of services:** Online237 runs and operates an online platform that allows Vendors to sell their products and provides pick up, delivery and storage services an adapted partner logistics network.

(5) **Limitation of TWO THIRTY SEVEN SERVICES:** The service provided by TWO THIRTY SEVEN SERVICES is limited to referring customers to the Vendor and accepting orders and payments on their behalf, as well as a supporting range of logistics and marketing services, to be requested and purchased by the Vendor. This support is remunerated via the agreed upon level of commission and service fees.

(6) **Duration and Termination of contract:** This agreement is valid as soon as it is signed by the Vendor. It remains valid until terminated by either party in accordance with the termination clause herein.

(7) **Use of Subcontractors:** TWO THIRTY SEVEN SERVICES use the services of subcontractors to execute any part of the present contract or any kind of existing or future services Online237 can propose to Vendors and customers.

DEFINITION OF THE TERMS OF THE CONTRACT AND TERMINOLOGY

In this contract, there are technical wordings specific to e-commerce sector. In this Agreement, unless the subject or context otherwise requires, the following words and expressions shall have the following meanings:

- **TPL :** Third Party logistics provider, a logistic partner providing the array of logistics services sold by ONLINE237.
- **ACCOUNT MANAGER:** A TWO THIRTY SEVEN SERVICES professional employee specialized in supporting commercial growth and relevancy of a Vendor on the platform. The attribution of an Accounts Manager to a vendor is solely under TWO THIRTY SEVEN SERVICES discretion.
- **ANNOUNCE PRICE:** announce price of the goods as set up by the Vendor or modified by TWO THIRTY SEVEN SERVICES in the case of a Promotion for which the Vendors give express written agreement.
- **ANNOUNCE:** is a product listed by the Vendor on Seller Point in order to be sold at Online237. An announce is made of the product name, the product description, pictures of the product and the selling price of the product.
- **BUSINESS DAY:** from Monday to Friday from 8:00 a.m. to 6.00 p.m. and Saturday from 9:00 a.m. to 1:00 p.m. during which commercial banks are open for business other than during public holidays in Kenya.



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- **CANCELLATION:** The act of stopping fulfillment of an order that has not yet been shipped. This can be done by both Vendor and TWO THIRTY SEVEN SERVICES on behalf of either Vendor or Customer, upon request or if fulfillment guidelines are not respected by the Vendor. Such cancellations by vendors can also be called an out of stock (OOS) as per how it is communicated to TWO THIRTY SEVEN SERVICES customers.
- **COMMISSION:** means the fee paid to Online237 for sales made of the Vendors goods on the Platform which fee is based on a percentage of the sale price.
- **COMPETITOR:** Any private or corporate person, who directly or indirectly, engages in the sale of goods and services on the internet in KENYA. For the avoidance of doubt, any person whose direct or indirect business is only partially similar to the aforementioned would still be deemed to be a Competitor
- **CONDITIONS:** means the general terms and conditions set out in this document and (unless the context otherwise requires) any special terms and conditions agreed in writing between the Vendor and TWO THIRTY SEVEN SERVICES.
- **CONTACT INFORMATION:** All the correct and up to date information given by the Vendor to allow TWO THIRTY SEVEN SERVICES to reach him or her: one single e-mail address, phone number, Tax ID/PIN number and physical address.
- **CONTRACT:** The contract entered into between Online237 and the Vendor to use TWO THIRTY SEVEN SERVICES for the purchase and sale of the Vendor's Goods to customers, howsoever formed or concluded. A Contract shall include any exhibits and documentation expressly referenced therein.
- **CUSTOMER** means anyone that makes use of Online237 platform to purchase goods.
- **CUSTOMER SERVICE:** Customer Service provided by TWO THIRTY SEVEN SERVICES to manage the After Sales relationship, the confirmation of orders and the relationship between the final customer and TWO THIRTY SEVEN SERVICES.
- **CUSTOMER:** Customer shopping at TWO THIRTY SEVEN SERVICES platform. Online237 is the sole owner of the relationship with the customer. The Vendor is therefore forbidden to use any customer information gathered while operating as a Vendor for its own private or commercial use
- **FINAL DELIVERY:** Transfer of the ownership of the product from the Vendor to the final customer.
- **FORCE MAJEURE:** has the meaning ascribed in clause VI(a)(10) and (b)
- **FULFILLMENT BY VENDOR (DROP SHIPPING);** The vendor is responsible for holding its stock and for providing items in a timely manner and abiding by packaging Guidelines to TWO THIRTY SEVEN SERVICES. When an order has been placed by the customer and confirmed by TWO THIRTY SEVEN SERVICES, the vendor can use logistics services from TWO THIRTY SEVEN SERVICES to support this process.



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- **GUIDELINES:** Set of criteria qualifying the rules present in this contract and that the Vendor must respect regarding TWO THIRTY SEVEN SERVICES operating model. The Guidelines' purpose is to achieve the best possible results with regard to ensuring full customer satisfaction. Guidelines also give details and pricing of the various services TWO THIRTY SEVEN SERVICES can offer to support that mission. Guidelines are available in the footer of Seller point under the tab Online237 Vendor Guidelines
- **DEN:** A location owned, or operated by TWO THIRTY SEVEN SERVICES or one of its logistics partners where the vendor can drop items and when eligible, pick up returned items.
- **IN WRITING/WRITTEN:** includes electronic mail to the e-mail address designated by TWO THIRTY SEVEN SERVICES for the purpose of communication between TWO THIRTY SEVEN SERVICES and the Vendor, and any comparable means of communication, so long as such form results in a permanent record being made.
- **INBOUND:** Reception department of the products by TWO THIRTY SEVEN SERVICES, and the action of accepting and registering stock brought in the Warehouse.
- **INTELLECTUAL PROPERTY:** Includes any patent, copyright, registered or unregistered design, design right, registered or unregistered trademark, service mark or other industrial or intellectual property right, as well as applications for any of the above.
- **Online237 FIRST (also known as FULFILLMENT BY Online237):** The Vendor's stock is stored in TWO THIRTY SEVEN SERVICES warehouse before it is sold. The ownership of the stock remains with The Vendor and TWO THIRTY SEVEN SERVICES acts purely as a guardian of this stock. Items are stored, packed and delivered by TWO THIRTY SEVEN SERVICES logistics provider.
- **MAJOR COMMERCIAL EVENT:** A commercial event during which TWO THIRTY SEVEN SERVICES will invest in marketing to generate traffic. During those events TWO THIRTY SEVEN SERVICES will promote the best offers from Vendors with the best performance (special prices, promotion)
- **PROMOTION FEATURE:** is available from the main page of the Seller point and allows the Vendor to submit products to a promotion. TWO THIRTY SEVEN SERVICES then evaluates the submitted products and selects the best of them. By joining a promotion the Vendor authorizes TWO THIRTY SEVEN SERVICES to modify the listing price of the submitted products.
- **PROMOTION:** is a specific and extraordinary commercial event organized by TWO THIRTY SEVEN SERVICES during which TWO THIRTY SEVEN SERVICES will highlight to its customers certain products sold at specifically attractive conditions or prices. This event can be announced via Seller point and TWO THIRTY SEVEN SERVICES may ask its Vendors to list more products online. The submission of the products is done through the promotion feature in Seller point.



- **READY TO SHIP:** The product is signaled as being physically available, packed according to packaging [Guidelines](#) and ready to be transferred to TWO THIRTY SEVEN SERVICES for delivery.
- **SELLER POINT ACCOUNT:** The dedicated internet portal for which the access is provided by TWO THIRTY SEVEN SERVICES to the Vendor to manage his/her products, announces, orders, pricing, and sales operations.
- **SHIPPED:** A product is considered shipped 1) if Online237 First: when an item has left our Warehouse 2) if Fulfillment by vendor (drop shipping or cross docking): when an item is received by TWO THIRTY SEVEN SERVICES staff, or one of its logistics partners.
- **SHOP:** all the products listed by the Vendor on TWO THIRTY SEVEN SERVICES
- **SKEEP:** Stock keeping unit describing a unique type of item being sold.
- **SPECIAL PRICE:** a discounted price that is lower than the original price of the listed product. A special price has a start date and an end date
- **TAX/PERSONAL IDENTIFICATION NUMBER (PIN):** Official Tax/Personal Identification Number or any valid tax authorities' reference attached to the business of the vendor and registered to legal national authorities.
- **VALUE ADDED SERVICES:** Logistics, warehousing, commercial and marketing services provided by TWO THIRTY SEVEN SERVICES and its partners and affiliates to the Vendor and for which the Vendor can subscribe to for a fee.
- **VAT:** Value Added Tax as applied per the applicable tax authorities.
- **VENDOR SUPPORT CENTER:** support service provided by TWO THIRTY SEVEN SERVICES to solve the issues faced by vendors as well as to help vendors grow their business.
- **WAREHOUSE:** The warehouse is a facility of TWO THIRTY SEVEN SERVICES where all the products in Online237First (Fulfillment by Online237) are stored and where orders are processed.
- **WARRANTY:** As defined in annex 1
- **WHT:** Withholding taxes as applied per the applicable tax authorities.

C. MODIFICATION AND TERMINATION OF THE CONTRACT.

(1) **Termination of contract by the Vendor:** This contract remains valid for one year extendable by tacit agreement until one of the parties terminates it. Vendor may terminate this Contract by serving a thirty (30) Days' notice in writing with acknowledgement of receipt. In these 30 days, the parties will continue to respect all the terms of this agreement.



(2) **Termination of contract by ONLINE237 SERVICES:** TWO THIRTY SEVEN SERVICES may immediately terminate this contract if the Vendor fails to meet level of operational performance considered as bare minimum to provide a satisfactory Customer experience of purchase on the platform and/or breaches any clauses in this contract. The performance levels and the way they are being measured are available in the Guidelines section of the Seller point.

(3) **Severability:** Both Parties acknowledge and agree that the provisions of this Agreement are severable and if any provision in this Agreement is held invalid or unenforceable under any competent jurisdiction, such invalidity or enforceability will be restricted only to the this provision and will not in any manner affect the validity or enforceability of the other provisions in this Agreement. Both parties will endeavor to replace the invalid clause by a valid one that reproduces as closely as possible the intended economic meaning of the invalid clause.

(4) **Modification of the contract by TWO THIRTY SEVEN SERVICES ;** TWO THIRTY SEVEN SERVICES reserves the right to make changes to this contract by giving a 2 weeks' notice to the Vendor through email.

The vendor may raise any concerns they may have within this 2 week period and if non are raised in writing it will then be assumed that the Vendor has accepted the changes.

(5) **Modification of the Guidelines available in Seller Point:** TWO THIRTY SEVEN SERVICES may amend terms related to the Guidelines from time to time. Amendments will be effective upon TWO THIRTY SEVEN SERVICES posting updated Guidelines in Seller point The Vendor's continued access or use of the Seller point after such posting constitutes the Vendor's consent to be bound by the Guidelines, as amended in accordance with clause 4 above.

d. JURISDICTIONAL COMPETENCY AND GOVERNING LAW

(1) **Governing Law:** This Agreement is governed and interpreted in accordance with the law of KENYA.

(2) **Permanency of contractual obligations:** Parties to this Agreement shall continue to uphold their respective contractual obligations at all times until the resolution of any conflict or dispute in accordance with the terms of this Agreement.

(3) **Dispute Resolution:** Should any dispute arise between the parties with regard to the interpretation, rights, obligations and/or implementation of any one or more of the provisions of this Agreement, the parties shall in the first instance attempt to resolve such dispute by amicable negotiations.



- a. Should such negotiations fail to achieve a resolution within Fifteen (15) days, either party may declare a dispute by written notification to the other, whereupon such dispute shall be referred to arbitration under the following terms:-
 - a. Such shall be resolved in accordance with the provisions of the Kenyan Arbitration Act Act 1995 (as amended from time to time.)
- b. The tribunal shall consist of one arbitrator to be agreed upon between the parties failing which such arbitrators shall be appointed by the Chairman for the time being of Chartered Institute of Arbitrators (Kenyan Chapter) upon the application of either party.
- c. The place of arbitration shall be Nairobi and the language of arbitration shall be English.
- d. The award of the arbitration tribunal shall be final and binding upon the parties to the extent permitted by law and either party may apply to a court of competent jurisdiction for enforcement of such awards;
- b. Notwithstanding the above provisions of this clause, a party is entitled to seek preliminary injunctive relief for interim or conservancy measures from any court of competent jurisdiction pending the final decision or award of the arbitrator.

II. RIGHTS AND OBLIGATIONS OF THE DIFFERENT PARTIES RELATED TO THE OPERATING MODEL.

A. COMMUNICATION.

i. From TWO THIRTY SEVEN SERVICES to the Vendor

- (1) TWO THIRTY SEVEN SERVICES will communicate to the Vendor using the contact information given by the Vendor to TWO THIRTY SEVEN SERVICES when registering on Seller point. The Vendor is responsible for updating TWO THIRTY SEVEN SERVICES [Seller point. and account manager] within 24 (twenty four) hours in case of any change in its contact information.
- (2) Every message sent to the Vendor through his or her registered email in the Seller point account or via Seller point which didn't receive an answer or written objection within 2 weeks will be deemed to have been accepted and form part of the agreement between TWO THIRTY SEVEN SERVICES and the Vendor.

ii. From the Vendor to THIRTY SEVEN SERVICES .

- (1) The Vendor will communicate to TWO THIRTY SEVEN SERVICES using emails, phone, or mobile messaging, in case the Vendor has is followed up by an account manager.
- (2) Emails and phone contact information can be found up to date on the Seller point account.



The Vendor agrees to share diligently all the information needed regarding his or her business and operations in order to help TWO THIRTY SEVEN SERVICES resolve his or her issues with operating on the platform. The information shared must be as exhaustive and structured as possible.

b. EXECUTION

i. TWO THIRTY SEVEN SERVICES RIGHTS AND OBLIGATIONS.

(1) The Vendor acknowledges that the relationship between customers and TWO THIRTY SEVEN SERVICES is governed by the privacy policy and the general terms and conditions, both available on the website (www.online237.co.ke).

(2) **Product Listing and Content Management:** TWO THIRTY SEVEN SERVICES will present on the website the products listed by the Vendor that passed Quality Control. The Vendor will be responsible for listing their own products.

The Vendor grants to TWO THIRTY SEVEN SERVICES the perpetual rights to use, reproduce, modify, adapt, publish, translate and create other content and to distribute the content that the Vendor provides.

In order to maintain its reputation for quality and high standard of service, TWO THIRTY SEVEN SERVICES reserves the right to delist the Vendor and to terminate the relationship with the Vendor if the Vendor repeatedly receives bad reviews or complaints or fails to comply with other Online237 standards.

If the Vendor is delisted, TWO THIRTY SEVEN SERVICES reserves the right to share the Vendor's contact information as well as the content the Vendor created on Seller point, in accordance with the Terms and Conditions and Privacy policy on www.online237.co.ke

TWO THIRTY SEVEN SERVICES offers to the customer the opportunity to evaluate the products on its site TWO THIRTY SEVEN SERVICES will review these evaluations and may publish them.

(3) **Pricing:** TWO THIRTY SEVEN SERVICES is not entitled to change the prices of the products listed by the Vendor unless during a promotion entered into by the Vendor. Pricing can be adjusted any time by the Vendor for any item sold on his account via seller point, provided that the adjustment is not made after an order has been made for the product.

(4) **Stock Level and Order Fulfillment:** TWO THIRTY SEVEN SERVICES is authorized to accept binding sales on behalf of the Vendor and will ensure that order data is passed on to Vendor through the Seller point within one business day subject to holidays and weekends TWO THIRTY SEVEN SERVICES will process the orders following the Operating Model Guidelines as available in Seller point.



(5) **Packaging Guidelines:** TWO THIRTY SEVEN SERVICES will provide access to the Vendor to packaging Guidelines in Seller point.. Vendor is responsible for packaging its items unless Vendor decides to subscribe to the packing service provided by TWO THIRTY SEVEN SERVICES. TWO THIRTY SEVEN SERVICES may as well provide adapted packaging material for sale on Online237. TWO THIRTY SEVEN SERVICES may conduct tests and audits of the packaging practices of the Vendor and may refuse to ship an order for which the packaging is not matching the Packaging Guidelines. In such case, penalties may be applicable, as stipulated in the packaging Guidelines.

6)**Returns:** TWO THIRTY SEVEN SERVICES will manage the returns of the Vendor following the General Principles Regarding Process of Returned Items mentioned in part II. b. iii. of the present contract and the Return Guidelines available in Seller point.

(7) **Promotion Feature:** TWO THIRTY SEVEN SERVICES controls the placement of promoted products submitted by the Vendor through Seller point.

(8) **Payments terms:** TWO THIRTY SEVEN SERVICES will pay the Vendor for the products sold on Online237 following the payment terms agreed upon with TWO THIRTY SEVEN SERVICES .

(9) **Changes to website content-** TWO THIRTY SEVEN SERVICES may perform changes to its website content or the services offered, including suspending these services for an unlimited period of time.

(10) **Third Party Provider:** TWO THIRTY SEVEN SERVICES may use third party service providers to fulfill some part of the services to the Vendor and to the customer.

(11) **Training:** TWO THIRTY SEVEN SERVICES will provide to the Vendor training material as well as the support needed to enable the Vendor to build the level of competences and to gather the knowledge needed to operate its shop on TWO THIRTY SEVEN SERVICES. Trainings are set up in order to educate the Vendor on the use of the Seller point. This training may be provided both online or offline TWO THIRTY SEVEN SERVICES reserves the right to charge a fee for certain training programs. Vendors may be required to attend training in order to be eligible to sell on the platform.



12) INFORMATION

ii) Vendor's rights & Obligation

(2) **Product Creation and Listing:** The Vendor certifies that the description of the products listed on Online237 are true, abide by any law applicable to the promotion of a product to an end customers, and is respectful of the product creation Guidelines as communicated by TWO THIRTY SEVEN SERVICES and available from the Seller point. account.

Every item sold has to be identical to its description on www.online237.co.ke and to the images provided TWO THIRTY SEVEN SERVICES may inspect the products given by the Vendor in order to check their conformity with the specifications mentioned by the Vendor on its Seller point. and with the standards of quality enounced in that agreement. In case of non-conformity with the technical characteristics, with the color, image or in case of technical default, TWO THIRTY SEVEN SERVICES will return the product to the Vendor and charge penalties as stipulated in the Guidelines.

The Vendor will indemnify and hold harmless TWO THIRTY SEVEN SERVICES of any suit, dispute arising from presenting on the platform illegal information or products, as well as products for which the Vendor does not have a license to sell or distribute.

(3) **Pricing:** The Vendor is responsible for setting the prices of its products listed on online237.co.ke. The price must include all relevant taxes and abide by any pricing law in effect for the full duration of the listing. The Vendor ensures that every effort is being made to limit the number of disputes over its products regarding quality and prices.

(4) **Stock Level and Order Fulfillment:** The Vendor certifies that for all its products listed on Seller point., the stock indicated as available is consistent with its real stock immediately available. The Vendor will process the order as per the Fulfillment Method he or she subscribed for, following the detailed Guidelines available on the Seller Point.

If not selecting online237 first(fulfillment by Online 237)

The Vendor will process orders and arrange delivery with all reasonable care and diligence the moment receipt of confirmation of sale is received through the Seller point. Orders should be confirmed through Seller point and dropped off or picked up before the Maximum Fulfillment Time displayed in Seller Point Late fulfillment, all vendor cancellations or any actions bringing prejudice to the customer's purchasing experience will result in penalties applied to the Vendor (See section II. b. iii. of this agreement).

The Vendor will process the orders, prepare the package, the delivery note, the invoice for the customer, and the acknowledgement of receipt including the Electronic Tax Receipt.



The Vendor will dedicate a contact person for the management of its stock on Online237. If for any reason the vendor is unable to fulfill orders, the vendor must turn off all SKEEPS in his or her store for at least five business days before his or her departure to avoid failure to fulfill new orders.

(5) **Returns of products:** The Vendor commits to respecting both the General Principles Regarding Process of Returned Items mentioned in part V. c. of the present contract and the Return Guidelines available in Seller point.

(6) **Guarantee of products:** The Vendor commits into providing a manufacturer's warranty guarantee to its products and/or to replace all defective products (Dead on Arrival). The details of the warranty provided for the products must be explicitly stated on the announce.

(7) **Counterfeite products:** The Vendor commits to providing only genuine products and to abide by all applicable laws and regulations regarding sale of products to an end customer. Any disrespect of this t TWO THIRTY SEVEN SERVICES may lead to immediate termination of the contract, and the Vendor shall hold harmless TWO THIRTY SEVEN SERVICES from any dispute regarding a breach of such laws and regulations

iii. Penalties in case of the non-respect of Online237 Quality commitment.

Penalties are here to compensate TWO THIRTY SEVEN SERVICES for any extra effort required to meet our Mission of providing quality products at favorable prices to Clients, and to protect Online237 brand. Penalties will be enforced according to the below Guidelines but are not limited to them and are susceptible to be applied to any behavior in opposition to the Guidelines available in Seller point and hurting Online237 customer interest and / or the Online237 Brand. Financial penalties will be deducted from the payout released to the Vendor according to the payment terms. The following list highlights most common offenses that would likely be subject to penalties:

- (1) Counterfeit products and non-conformity of the products.
- 2) Slow fulfillment of orders as per the guidelines.
- (3) Cancellation of orders in case of Vendor default and out of stock
- (4) Not respecting Packaging requirements as listed in the Guidelines
- (5) High rate of Returns of products or lack of compliance with the return policy

The amounts (in case of financial penalties) or procedures (in case of operational penalties) of those penalties are included on the Penalty Guidelines available in Seller point and will be deducted from the Vendor payout at the frequency described in the Payment terms.



iii) SYSTEM USAGE AGREEMENT.

A. GENERAL CONDITIONS OF USE OF THE SELLER POINT.

(1) **Rules on the use of the Seller point:** Every Vendor who wants to list a product to sell through the Seller point has to create an account.

A Seller point. Account is private for the Vendor and cannot be assigned to any third party without the agreement of TWO THIRTY SEVEN SERVICES. It is forbidden to use the Seller point. Account for different points of sales.

(2) **Rules of redaction of product pages:** The Vendor commits into publishing announces only on his or her behalf. Without the agreement of TWO THIRTY SEVEN SERVICES, the Vendor cannot publish an announcement on the behalf of a third party.

*Two Thirty Seven Services reserves the right to;

a) Erase a product page published by a Vendor on the behalf of a third party without any compensation of the Vendor.

b) Remove without notice the Seller point account and all the products of a Vendor who would not respect this section

c) To refuse the whole or a part of product page which would contravene terms and conditions of this contract.

d) To refuse the image proposed by the Vendor for any reason, including but limited to the following reasons:

- The quality of this image does not matching Production Guidelines available in Seller bay. in terms of quality, and accuracy
- If the image is offensive to the customers or if the image is not ethical.

An announce cannot be used to promote any other thing other than the object of the description.

The announces are classified on www.online237.co.ke following a logic of ranking determined solely by TWO THIRTY SEVEN SERVICES.

Vendors may where applicable purchase premium placement for their products, as detailed in the Seller point Guideline to influence such a position.

It is forbidden for the Vendor to publish different announces for the same product. It is also forbidden to publish different announces for the same product under different categories.



(3) **Sensitive and prohibited Goods:** The Vendor takes the full responsibility related to the commercialization of the products sold on Online237 and bears full responsibility for all legal implications related to the damages such products can cause, including but not restricted to, physical and health damages, material damages, and loss of business.

The Vendor, guarantees that when selling sensitive goods (a detailed but not exhaustive list of concerned categories and products are available in Seller Bay) the Vendor enjoys full authorizations to do so as well as respects the storing, processing and selling [Guidelines](#) provided by the manufacturer of the product.

The Vendor, if selling items under legal restriction, guarantees that he or she has all the licenses required to sell such products and that all legal requirements attached to the commercialization on such items are followed and enforced. This may concern registration to the health authority, license to sell, and compliance with storage conditions attached to each items, manipulation rules, and product description legal standards.

If products have a last date of consumption, the Vendor will ensure that for applicable products, they will supply products that have at least 1 year before last date of consumption.

The sale of illegal articles is forbidden and subject to **SCHEDULE 1** attached herein:

(4) **Title and description of a product page:** The only authorized announces are announces in English. The content related [Guidelines](#) available in Seller point. define authorized practices on the platform.

The title of the product page has to be limited to the name of its product and to its main specifications (Size, color...). All the remaining part of the description should appear in the description. Every content of the product page should include requirement of the applicable regulation

The product pages are Intellectual Property.

(5) **Price:** The only price listed should be the selling price including applicable tax. This price should not be in the title of the product page.

(6) **Photos:** The photos included in the product page have to be related with the article or service proposed. It is forbidden to use logos of brands as a picture except in the category “Professional” of the site. It is forbidden to use the photos of other vendors without their approval. Those pictures are protected by Intellectual Property. TWO THIRTY SEVEN SERVICES reserves the right to modify the title of the product page for commercial reasons.



B. COMMITMENT AND GUARANTEE OF THE VENDOR RELATED TO THE USE OF THE SELLER POINT.

(1) The Vendor ensures that the content on its product pages complies with the legal obligations that apply to the products and the vendor's business.

The Vendor ensures to TWO THIRTY SEVEN SERVICES that the descriptions are within conformity of the manufacturer's description of the products sold.

Therefore, the Vendor ensures that he or she publishes the product page under his or her entire responsibility (and not that of TWO THIRTY SEVEN SERVICES, his or her suppliers, and any other service provider of TWO THIRTY SEVEN SERVICES. The Vendor commits into compensating any person who would suffer from the consequences of an illegal announce.

Because of the specificity of its services TWO THIRTY SEVEN SERVICES has to ask personal information about the Vendor.

TWO THIRTY SEVEN SERVICES can cooperate with authorities and give the identity of the Vendor to the legal authorities if the content of a product page does not comply with the laws and regulations.

For Vendors located abroad TWO THIRTY SEVEN SERVICES reserves the right to add the mention on the product page of the website which indicates the origin of the product and the relative shipping details.

(2) If the Vendor chooses a Drop shipping procedure, the Vendor commits into selling only goods that he or she owns or that he or she is entitled to sell. In case of out of stock of the product, the Vendor commits to, withdrawing the product page from its Seller point..

(3) The Vendor accepts that due to the time required to perform Quality Control checks, the product page may not go online instantly.

(4) The Vendor accepts that data collected on the internet site will be retained by the Internet provider and by TWO THIRTY SEVEN SERVICES for statistical use and to answer to demands of any regulators.

(5) To be acceptable, any complaint will have to precisely indicate the defaults of the product page and to be transferred to TWO THIRTY SEVEN SERVICES within 8 days after the creation of the product page.

IV. General conditions of transactions and payment between.



Online237 and the Vendor.

a. GENERAL CONDITIONS OF PAYMENT

(1) **Payment by TWO THIRTY SEVEN SERVICES to the Vendor:** Payments made to the Vendor are calculated as the sum of the selling price including tax of all items delivered to customers less the sum of the selling price including tax of all items returned within this same period and less commissions and penalties. The Payment terms applicable are described in Payment terms Guidelines. All payments to the Vendor shall be made in Kenya Shillings.

(2) **Payment Option:** Payments will be made by either Bank Transfers or Cheque. The vendor must enter their exact and up to date Bank information in the Seller point.. The payment method may be subjected to change as described in the Payment terms option.

(3) **Invoices:** The Vendor has to provide an invoice for the Customer when providing to TWO THIRTY SEVEN SERVICES the product to be delivered to the customer.

TWO THIRTY SEVEN SERVICES will invoice the Vendor for its commission and for the fees charged for its value added services as well as for the penalties applied. VAT will apply to all invoices and an ETR will be provided with the invoice.

(4) **Payment Calculation:** The revenue collected by TWO THIRTY SEVEN SERVICES on behalf of the Vendor is based on the orders successfully delivered and paid for by to the customer. The Vendor understands that the items shipped but not delivered at the time of the payment are not included in the payment.

Any sums due to the Vendor hereunder may be applied by TWO THIRTY SEVEN SERVICES as a set off against any sums owed by the Vendor to TWO THIRTY SEVEN SERVICES, or against any claims of third parties against TWO THIRTY SEVEN SERVICES arising from the Vendor's performance, under any document.

(5) **Documents Required for Payment:** Every payment is dependent on having the following documents:

1. This contract signed by both parties.
2. Any other documents signed by both Vendor and ONLINE237 whenever products exchange hands between the two parties.
3. The delivery receipt given by TWO THIRTY SEVEN SERVICES to the Vendor, signed for each item given to TWO THIRTY SEVEN SERVICES

(6) **Sales Report:** At the end of each period TWO THIRTY SEVEN SERVICES



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shall issue via Seller point a Sales Report for reconciliation of the sales recorded by the Vendor prior to making payments and covering:

- The products delivered
- The products returned
- The products cancelled
- Any other transaction (Fees, Penalties, Correction entries)

(7) **Payment Schedule:** Payment Schedule and delays will follow the rules and agenda available in Seller point Guidelines.

(8) **Reimbursement:** There is no reimbursement after the execution of the various operational and marketing value added services TWO THIRTY SEVEN SERVICES can provide. However reimbursements for any loss or damage will be made on a quarterly basis.

(9) **Price:** All prices are indicated in Kenya shillings including tax.

b. COMMISSIONS AND FEES COLLECTED BY TWO THIRTY SEVEN SERVICES

(1) **Calculation of Commission:** The commissions are calculated as a percentage of the selling price including tax and are invoiced inclusive of applicable taxes. All other fees are invoiced inclusive of VAT., Online237 will withhold its commission and fees, inclusive of VAT from the payout made to the Vendor.

(2) **Invoice:** On a frequency defined by Payment terms Guidelines, TWO THIRTY SEVEN SERVICES invoices the Vendor. This invoice will include the commissions, fees for value added services and penalties owed by the Vendor to TWO THIRTY SEVEN SERVICES.

(3) **Adjustment of commissions:** TWO THIRTY SEVEN SERVICES reserves the right to adjust the percentage commission, providing suitable notice of 14 days is served in advance to the Vendor TWO THIRTY SEVEN SERVICES will duly notify the Vendor through an adequate e-mail notice of any commission changes. This does not cover adjustments that constitute a material change of the contract terms, which would require an additional agreement on the change.

(4) **Adjustment of fees:** Online237 may start charging additional fees for the sale of goods through the Online237 platform at any point. In the event of the introduction of further fees, the Vendor will be notified prior to their commencement in writing 14 days prior and they will have the option to opt out, if no written objection from the vendor they will be deemed to have accepted the adjustment.

(5) **Effective fee / price:** The prices and different fees, of the paying options is the one



in effect the day of transaction.

(6) **Commissions collected by TWO THIRTY SEVEN SERVICES:** All the commissions collected by TWO THIRTY SEVEN SERVICES on the products of the marketplace are available on the Seller point. (Settings >> Vendor's Profile >> Commissions).

V. LOGISTICS.

a). DIFFERENT TYPES OF ORDERS MANAGEMENT.

(1) **Choice of a logistic procedure:** the Vendor has a choice between two different logistics procedures: Online237 First (Fulfillment by Online237) and Fulfillment by Vendor (Drop Shipping or Cross Docking). The Vendor can express their preference and TWO THIRTY SEVEN SERVICES will agree on the best way to proceed, considering vendor operations and the product characteristics.

When creating an account on Seller Point, the vendor is by default operating under Fulfillment by Vendor (Drop Shipping). The Vendor can apply to Online237 First through its dedicated account manager or through the Vendor Support Center.

(2) **Online237 First:** A Vendor accepted to Online237 First will receive a confirmation Email. After being accepted to Online237 First, the Vendor may choose through his Seller point to put in consignment some part of his or her stock. The Vendor remains the owner of these products during the entire period of deposit. Any opened or damaged products will not be accepted by TWO THIRTY SEVEN SERVICES.

TWO THIRTY SEVEN SERVICES reserves the right to perform random sampling quality checks before accepting items. TWO THIRTY SEVEN SERVICES is responsible for any damage done to the Vendor's product while in TWO THIRTY SEVEN SERVICES warehouse.

(3) **Fulfillment by Vendor (Drop Shipping):** During a Drop Shipping procedure, the Vendor keeps the responsibility for the management of its stock and provides to TWO THIRTY SEVEN SERVICES the product ready to be delivered to the customer. TWO THIRTY SEVEN SERVICES or any of its contractors are in charge of the delivery of the product to the final customer.

b). ORDERS MANAGEMENT PROCEDURES.

(1) **General principles in case of Drop Shipping:** The Vendor has to process the orders according to the training received by TWO THIRTY SEVEN SERVICES and to make sure the product is provided to TWO THIRTY SEVEN SERVICES in the following way:

*The Vendor will have to provide TWO THIRTY SEVEN SERVICES with the ordered products on a timeline defined by Guidelines with TWO THIRTY SEVEN



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SERVICES. The order has to be confirmed through the Seller point by the Vendor. That way, the Vendor gives confirmation that the product ordered by the customer is available to be transferred to TWO THIRTY SEVEN SERVICES and sold.

The Vendor will be able to drop directly his or her products processed in one of the hubs determined by TWO THIRTY SEVEN SERVICES. This process is called “Drop-Off”. The Vendor will also be able to have their products “Picked-up” by TWO THIRTY SEVEN SERVICES or any of its certified contractors. The Vendor commits to appointing an employee who will be the main contact person between the Vendor and the logistics service of TWO THIRTY SEVEN SERVICES. If the employee is not available, the Vendor will provide an alternate contact person to make sure that the orders are processed. The Vendor commits to retrieving items that have been processed for return within the timeline outlined in the Return Guidelines. Failure to do so may result in forfeiture of ownership, as stipulated in the Guidelines. The Vendor commits to processing the order within 1 working day from its confirmation. The Vendor also commits to handing over their items for shipping within 2 business days from order confirmation.

TWO THIRTY SEVEN SERVICES commits in turn to processing the orders handed over by the vendors.

(2) Transfer of ownership of the good: The Vendor will send to TWO THIRTY SEVEN SERVICES warehouse the products packed in original packaging as supplied by the manufacturer.

The transfer of responsibility of the product will occur when the Vendor is given a delivery note which certifies that TWO THIRTY SEVEN SERVICES received the product. Yet, the Vendor remains the owner of the goods until they are actually sold and received by the customer.

(3) Transfer of product from the Vendor to TWO THIRTY SEVEN SERVICES: No product damaged before the transfer of possession between the Vendor and TWO THIRTY SEVEN SERVICES will be accepted by TWO THIRTY SEVEN SERVICES. If the product received by TWO THIRTY SEVEN SERVICES is damaged, TWO THIRTY SEVEN SERVICES will ask the Vendor for the free substitution of this product with a product in good conditions.

In case of delay in the sourcing of products, the Vendor will communicate within 24 hours to TWO THIRTY SEVEN SERVICES the date when he or she estimates that the product is ready.

If the Vendor takes more than 2 working days to give the products to TWO THIRTY SEVEN SERVICES, TWO THIRTY SEVEN SERVICES reserves the right to consider the product as out of stock and to cancel the order, and to charge the penalties applicable.

(4) General Principles of Online237 First: The Vendor will complete a Online237 First



fulfillment request through Seller point and identify the products to be transferred.

Stock Receiving: The vendor will ensure all the products mentioned in the fulfillment request are the exact products dropped off to TWO THIRTY SEVEN SERVICES warehouse. The Vendor can drop off its products only during the opening hours of the Warehouse with prior scheduling. When dropping its products the Vendor must provide the list of the products and quantities dropped off to become Online237 First. The Vendor representatives will wait until full inbounding is done to sign 2 copies of delivery receipt acknowledging arrival in the Warehouse.

Stock Retrieval: The Vendor can request for his stock to be removed from the warehouse and made available for pick up with a 2 week notice period. TWO THIRTY SEVEN SERVICES will provide the Vendor with a detailed list of the products and quantities being returned to the Vendor, when the Vendor picks up their stock. The Vendor bears responsibility on requesting retrieval of products which are slow selling or not selling, as they approach expiration date or develop any other characteristic that would render them unsalable (e.g. aging technologies). At the same time, TWO THIRTY SEVEN SERVICES reserves the right to request vendors to retrieve their stock from the Warehouse with a 2 week notice period.

b)GENERAL PRINCIPLES REGARDING PROCESS OF PRODUCTS RETURNED.

(1)**TWO THIRTY SEVEN SERVICES** will accept products returned by its customers, if the return reason respects the return policy conditions mentioned in the Guidelines

(2) **Consent by the Vendor of the conditions of returns of TWO THIRTY SEVEN SERVICES:** The Vendor will accept the conditions of return of TWO THIRTY SEVEN SERVICES. These Conditions are in the Guidelines. Moreover, the Vendor will renounce to his or her own return policy for all the orders received on Online237.

(3) **Return conditions:** In general, if the original product packaging remains closed/sealed, customers are allowed to refuse delivery for any reason. This may include change of mind, lack of money, lack of availability for delivery, damaged packaging etc The Vendor is obligated to accept return of Goods, in original packaging, o the following cases:

Faulty Goods:

- Defined as either manufacturing defects (mechanical or software related), “Dead



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on Arrival” (i.e. not working from the onset), damaged or missing parts

- As reported by the Customers within 7 days from delivery. In such cases, customers are entitled to replacement or refund at seller's expense, which will be facilitated by Online237 on the Vendor's behalf. This will either be by replacing the product from Online237 First stock, or placing a new order for Drop Shipping products. If Online237 quality control process is disputed by the vendor, and proves to have been inaccurate (ie the product is not Faulty), Online237 will bear the cost & reimburse the Vendor
- As reported by the Customers after 7 days from delivery and handed over to the Service point, which have not been repaired by the Service point within 10 days, provided the product is under Warranty
 - is the wrong product
 - is different than described on the website
 - Does not fit the customer's size (applicable to fashion)

There are various types of returns & deliveries

- Unopened returns - For items in whose categories Online237 offers a return policy and for items with visible damages
- Opened returns - for manufacturing defects, incorrect product and for categories where Online237 offers an opened returns policy
- Failed deliveries – these are cases where our delivery associates are not able to meet the customer, the customer does not pick up his ordered item or otherwise the product's original packaging remains closed/sealed. The transaction was not completed.
- Rejections – these are cases where our delivery associates meet the customer or the customer picks up his ordered item, but rejects it on the spot, in the presence of our delivery staff. In such cases the product has been examined by the customer, where applicable the seal has not been broken, nor has the product been used and therefore the transaction was not completed.
- Returns – these are cases where the delivery and transaction are completed successfully but the customer requests a return within 7 days from the delivery date.

For Customer Convenience, TWO THIRTY SEVEN SERVICES and the Vendor commit to accepting the product returned by the Customer if:

- The Customer asked to have his or her product returned to the Vendor within 7 days after the delivery date and through the Customer Service of TWO THIRTY SEVEN SERVICES or by filling TWO THIRTY SEVEN dedicated online return form
- The product sent back is still in its original packaging
- The product has not been used and is in good condition, unless reported defective or



damaged

- There is no part of the product missing, unless reported to have missing parts
- For items with seals, the security seal has not been broken, unless defective or damaged or missing parts or wrong item
- The customer has conserved and sent back the invoice of the product and the free packaging complete with free gifts and accessories

The Vendor is required to provide warranty and Service point information to TWO THIRTY SEVEN SERVICES for the entire period of the warranty to be shared with the customer. In cases of Service point default, the vendor will be required to mediate a product replacement with the Service point for the benefit of the customer, without TWO THIRTY SEVEN express involvement and within 10 days from the date when the customer brought the faulty product to the service point

If an item is rendered unsellable during the delivery process, while the Vendor fully complied with packaging Guidelines at the point of shipping, TWO THIRTY SEVEN SERVICES will bear the cost of return of the item and will pay the value of the item as if it were sold to a final customer.

(4) Returns process and split of responsibility: In case of products returned or rejected, a Quality Control check is done in the warehouse of TWO THIRTY SEVEN SERVICES in order to determine who is responsible for the return of the product.

TWO THIRTY SEVEN SERVICES returns the product, to the Vendor. If the Vendor has already been paid for the sale of the product, he or she has to reimburse Online237 minus the amount of the commission deducted by Online237 when the item was sold. TWO THIRTY SEVEN will deduct the amount relative to the returned item from the next payout due to the Vendor. If no payouts are due or the Vendor decides for whichever reason to recede from this contract, he will still have to reimburse TWO THIRTY SEVEN for the amount of the item minus the commission.

If TWO THIRTY SEVEN SERVICES is responsible for the default of the product, TWO THIRTY SEVEN SERVICES will reimburse the Customer or will replace the product less commission

If the quality control shows that the Customer is responsible for the default of the product, the product is sent back to the Customer and there is no reimbursement.

If the Vendor or manufacturer is responsible for the default, the product is sent back to the Vendor. The Vendor has to reimburse TWO THIRTY SEVEN SERVICES if he has already been paid for the sale of the product less commission.

The return timelines are as detailed in the Guidelines.

(5) Responsibility of the Quality Control: Once the product is returned, TWO



THIRTY SEVEN SERVICES has the responsibility of performing a quality control check. In the case of defective or damaged products, the quality control done by TWO THIRTY SEVEN SERVICES will be considered as the only valid control.

(6) **Disagreement over the quality control:** In case of disagreement over the quality control, the Vendor has to open a dispute procedure. He or she has to provide TWO THIRTY SEVEN SERVICES within 7 business days with the proofs that the object was working and had the quality necessary to be sold when he or she provided TWO THIRTY SEVEN SERVICES with the object.

(7) **Reimbursement of objects sent back and penalties:** If at the end of the return process, TWO THIRTY SEVEN SERVICES considers that the final customer has to be reimbursed; TWO THIRTY SEVEN SERVICES reimburses the customer and sends an invoice to the Vendor if necessary. Deductions are made from the next vendor payout.

A reimbursement between the Vendor and TWO THIRTY SEVEN SERVICES shall take place in the following cases and within 90 days of occurrence of the incidence:

If the product is defective and the Vendor is considered as responsible for this default. In that case, if TWO THIRTY SEVEN SERVICES has not paid the Vendor yet, the Vendor will not be paid for the product

If the product is sent back by the Customer and is in state to be sold again and the Vendor wants to remain the owner of the object:

If TWO THIRTY SEVEN SERVICES has not paid the Vendor, the Vendor won't pay for the object.

If on the contrary TWO THIRTY SEVEN SERVICES has already paid the Vendor, an invoice is sent to the

Vendor so that he or she reimburses TWO THIRTY SEVEN SERVICES.

(8) **Modification of return conditions:** TWO THIRTY SEVEN SERVICES reserves the right to modify its return policy at any time and shall immediately give the Vendor 14 days' notice prior to implementing the New Return Policy.

(9) **Delay in return of the products to the Vendor:** If for any reason, a product has to be sent back to the Vendor, TWO THIRTY SEVEN SERVICES will retrieve the product from the customer and make it available for the vendor at a location of TWO THIRTY SEVEN SERVICES warehouse or delivery hub.

(10) **Forfeiture of Ownership:** If the vendor doesn't collect the returned products



within fourteen (14) days following the notification by TWO THIRTY SEVEN SERVICES of the availability for collection of such items, TWO THIRTY SEVEN SERVICES will engage in the legal procedures required to dispose of the goods by issuing the relevant notices in accordance with the law.

VI. Liability

A) LIMITATION OF LIABILITY.

(1) **Quality and authenticity of the products provided by the Vendor:** The Vendor indemnifies TWO THIRTY SEVEN SERVICES from all claims arising in relation to matters outside TWO THIRTY SEVEN SERVICES control, including but not limited to the quality of goods and services provided by the Vendor. The Vendor wholly and solely acknowledges that all the products are free from defects in design, materials and workmanship, clear of any liens, claims and encumbrances and comply with all relevant laws, regulations and requirements. The Vendor also acknowledges that the Products are of merchandisable quality, fit for the particular purpose for which they are intended and match their description. The Vendor undertakes to indemnify Online237 from any third parties claims relating to the quality or the condition of the sold product(s) or resulting from the Supplier's violation of any of the applicable laws or regulations.

(3) **Malfunctions of services:** TWO THIRTY SEVEN SERVICES cannot guarantee that its service will be free from all malfunctions, but will exercise all diligent and reasonable care and skill to resolve any such case.

(4) **Collection of VAT:** VAT liability for the product sold rests with the Vendor and TWO THIRTY SEVEN SERVICES will not be responsible for any VAT obligations that may arise. TWO THIRTY SEVEN SERVICES will remit and declare applicable taxes, including VAT on the amount of the commission and fees collected for its services and withholding tax where applicable.

(5) **Limitation of TWO THIRTY SEVEN SERVICES service:** TWO THIRTY SEVEN SERVICES commits into exercising all the necessary care to provide its website to the Vendors. Except any written commitment, the service commercialized by TWO THIRTY SEVEN SERVICES is limited to the broadcast of announces, subscription of options, and offer of logistics and marketing services.

(6) **Commercial Results:** TWO THIRTY SEVEN SERVICES does not guarantee any commercial results to the Vendor concerning the products that he or she puts on TWO THIRTY SEVEN SERVICES platform.

(7) **Sudden interruption of the service offered by TWO THIRTY SEVEN SERVICES:** TWO THIRTY SEVEN SERVICES will not be held responsible for the interruptions of its internet service, mobile application, mobile website, Android Application and all the loss of data or information stored by TWO THIRTY



SEVEN SERVICES which could result from the interruption. The Vendor has to take appropriate measures to back up content he publishes on TWO THIRTY SEVEN SERVICES internet website.

(8) **Prejudices of the Vendor:** TWO THIRTY SEVEN SERVICES will not be held responsible for any prejudice and direct or indirect damages of any nature done to the Vendor because of the use, interruption or dysfunction of TWO THIRTY SEVEN SERVICES internet website, mobile website, Android Application or any other service provided by TWO THIRTY SEVEN SERVICES.

(10) **Limitation of the contractual obligations:** TWO THIRTY SEVEN SERVICES, its subcontractors and suppliers won't be held as responsible for any delays or impossibility to fulfill their contractual obligations in case of:

- Their contractual obligations in case of: force majeure
- Interruption of the Internet website connection because of maintenance operations or refresh of information published ;
- Momentary inability to have access to the internet website or mobile application because of a technical problem, whatever could be the cause of that problem.
- Hack or any other cause which would interrupt the access to the internet network
- Acts restrictions regulations by-laws prohibitions or measures of any kind on the part of any governmental parliamentary or local authority; import or export regulations or embargoes;
- Interruption of production or operation, difficulties in obtaining raw materials, labour, fuel parts or machinery;
- Power-failure or breakdown in machinery.

(13) **Errors or omissions in the internet pages of the Vendor:** Except in case of willful misrepresentation and very serious misconduct, TWO THIRTY SEVEN SERVICES, its subcontractors and suppliers will not pay any compensation, financial or of any other nature because of errors or omissions in the product's pages of a Vendor., in case of such events, the Vendor will not ask for any compensation and will always pay the fees owed to TWO THIRTY SEVEN SERVICES.

(14) **Responsibility of the Vendor:** The Vendor is responsible for any damage caused to any third party due to the bad or illicit use of the internet website www.online237.co.ke owned by TWO THIRTY SEVEN SERVICES. The Vendor indemnifies TWO THIRTY SEVEN SERVICES from any legal claims or suits against him by a third party due to his misuse of TWO THIRTY SEVEN SERVICES internet website.



(15) **Compensation:** The Vendors commit to compensating TWO THIRTY SEVEN SERVICES, its administrators, managers, owners, employees, subcontractors, suppliers against any loss, expense, damage or cost (including lawyers' fees) which would result of any violation of one of the terms of this contract by the Vendor or of the misuse of the platform provided by TWO THIRTY SEVEN SERVICES.

B) FORCE MAJEURE

- (1) The Vendor, TWO THIRTY SEVEN SERVICES, its suppliers, contractors or any other employee of TWO THIRTY SEVEN SERVICES will not be held as responsible for any delay or non-compliance of its services in case of force majeure. Will be considered as force majeure all the cases usually accepted by the national jurisprudence and the total or partial strikes, lock-out, impossibility to access public transportation, hurricanes, fire, floods, legal modifications of the commercial rules, and any other case which can't be controlled by either the Vendor or TWO THIRTY SEVEN SERVICES, its suppliers or any other subcontractor.
- (2) Each party will notify the other party in writing immediately after the event or within 7 working days.
- (3) In case of a case of force majeure, if the contractual obligation cannot be respected for more than a month, the parties will not have to respect their contractual obligations and the contract will be deemed terminated.
- (4) The party which is affected by the force majeure has to notify the other party in writing. The affected party will take the necessary measures to limit as much as possible the effects of this force majeure. The non-affected party may then choose to terminate the contract or wait for the act force majeure to lapse.

VII. Confidentiality

- (1) 11.1 Both Parties undertake that, during the term of this Agreement and for one (1) year after termination, they will not disclose, provide, copy or otherwise make available to any third party any Confidential Information of any kind concerning the other Party except to the extent necessary to implement this Agreement and perform the marketing services stated thereto, this includes, but is not limited to, the content of this Agreement, all the information and data acquired in connection or for the purposes of this Agreement. Both Parties undertake to comply with all applicable privacy laws and handle accordingly all data related to Customers, suppliers and business partners. This clause is read together with the Privacy Policy on www.online237.co.ke



- (2) Upon termination of this Agreement each Party must immediately return to the other Party all material in its possession which contains Confidential Information of the other Party.
- (3) However, the obligation of conservation of secrecy does not extend to the information which, at the moment of their transmission, is public or known by the public.
- (4) A party will not be liable for divulging confidential information of either party, when required by law.

VIII. Intellectual property.

(1) The Vendor warrants, represents and covenants that its manufacture, sale distribution and use of the Goods do not infringe directly or indirectly any Intellectual Property. The Vendor warrants, represents and covenants that ONLINE TWO THIRTY SEVEN SERVICES feature of the Goods on the Platform does not infringe any Intellectual Property, whether directly or indirectly.

(2) The Vendor undertakes and represents to TWO THIRTY SEVEN SERVICES that it has all rights and ownership or is a licensed user of all Intellectual Property in relation to the Goods and the supply of the Goods and is able to grant and hereby grants and irrevocable, non-exclusive and royalty free license to use all such Intellectual Property for the purposes of marketing, promoting and featuring the Goods on the Platform. Online237 acknowledges that it will not acquire any rights in respect of the Intellectual Property in relation to the

Goods and that all those rights and goodwill are, and will remain, vested in the Vendor or the owner of the Intellectual Property (as the case may be).

(3) The Vendor represents and warrants to TWO THIRTY SEVEN SERVICES that it is not aware of any claims made by any third party with regards to the any alleged or actual patent, copyright, trade secret, trademark, trade name, or other intellectual property right infringement or other claim, demand or action resulting from the manufacture, sale, distribution or use of the Goods.

(4) The Vendor agrees to release, defend, protect, indemnify and holds TWO THIRTY SEVEN SERVICES their affiliates, and their respective directors, officers, employees, contractors, agents, suppliers, users, successors, and assigns, harmless from and against any and all costs (including attorney fees and court costs on an indemnity basis), expenses, fines, penalties, losses, damages, and liabilities arising out of any alleged or actual patent, copyright, trade secret, trademark, trade name, or other intellectual property right infringement or other claim, demand or action resulting from the advertising, promotion, manufacture, sale, distribution or use of the Goods.



(5) The Vendor shall not be entitled to use any Intellectual Property belonging to TWO THIRTY SEVEN SERVICES without TWO THIRTY SEVEN SERVICES prior approval in Writing.

IX. Assignment

Both Parties acknowledge and agree that the rights and duties created by this Agreement are personal to the Parties and that it was granted in reliance upon their individual or collective character and business ability, therefore neither Party may assign this Agreement wholly or Partially without the prior written consent of the other Party. However Online237 in fulfilling its obligation to the customer may assign some of these rights to third parties

X. No guaranteed income

No warranties or representations are made with the regard to potential revenues that may be earned by the Vendor from the provision of TWO THIRTY SEVEN SERVICES services and no reliance should be placed on any statements or projections provided, whether verbal or in writing to this respect.

XI. Entire agreement

Both Parties acknowledge and agree that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressed in it.

XII. Schedules,appendices, and annexure.

All schedules, annexure, appendices and amendments hereto form part of this agreement

IN WITNESS WHERE OF this agreement has been duly executed in two counterparts on the effective date by:-

TWO THIRTY SEVEN SERVICES KENYA LIMITED:

Authorized Representative: Name:

Capacity: Managing Director Signature:

Date:

VENDOR:

Authorized Representative: Name:

Capacity: Signature:

Date:



SCHEDULE 1

1. Currency, valid invoices from any country. Fake money and every product which counterfeit financial instruments.
2. Every financial instrument disapproved by applicable financial controlling authorities
3. Stolen or counterfeit goods
4. Illegal substances and products sold to produce, modify or consume illegal substances. Drugs, medicines, steroids...
5. Plants and animals threatened by extinction. Fur, organs, part of animals...
6. Any explosive material
7. Flammable material
8. Fireworks, ammunitions and every manual which would explain how to build bombs and explosives
9. Articles considered as being part of the historic patrimony
10. Every article related to hacking
11. Weapons and items related to ammunitions, bullets...
12. Fake IDS, fake birth certificate, driving license... Or any fake document
13. Organs
14. Items related to pedophilia, pornography, naked children...
15. Therapies
16. Every item which contravene to intellectual property and any other product/substance deemed illegal/unfit for human consumption.

ANNEXURE 1. WARRANTIES

1. WARRANTY.
 - a. "Warranty" means a defined period, for example of 1 (One) Year, within which the Vendor shall supply free labor and parts for any faulty equipment supplied/sold to Online237 customers. All vendors who sell electronic items on the website must provide TWO THIRTY SEVEN SERVICES with a valid service center for their products; otherwise they must indicate clearly that the product that it has no warranty.
 - b. The Vendor hereby warrants the equipment for the defined period from the date of delivery against faulty parts, components or bad workmanship.
 - c. During the warranty period the Vendor shall provide any required spare parts at no cost to Online237 customers in case of defect from the manufacturer.
2. SERVICE WARRANTIES.
 - a. The Vendor will deliver the Services in a professional and workmanlike manner and in accordance with the Governing Law. The vendor shall:
 - (a) Ensure that its Personnel are appropriately skilled, trained and experienced to provide the Services;
 - (b) Meet the service levels defined in a Service Level Agreement.
 - (c) Ensure that services are available at all times within normal working hours and days.



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APPENDIX COMMISSION.

Selling fees ("commission per item delivered")		
	Women's fashion	13%
	Men's fashion	13%
	Jewellery	15%
	Mobile Phones – Smartphones	3.5%
	Mobile Phones – Feature phones	11%
	Tablets	7%
	Computers & Laptops	5%
	Printers, Scanners, Copiers	8%
	Accessories for Mobile phones, Tablets & Computers	15%
	TVs	7%
	Audio & Video	10%
	Cameras, Music, Games, Consoles	9%
	Home	12.5%
	Small appliances	12.5%
	Large appliances	9%
	Groceries/ Farm products	10%
	Sports, Health & Fitness	13.5%
	Bikers, Treadmills, Benches	14%
	Hair	15%
	Beauty & Perfumes	15%
	Books & Stationery	15%
	Baby, Kids & Toys	12%
	Wines, Spirits & Cigarettes	15%
	Automotive/ constructive items	15%



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	Gift Hampers & Baskets	13%
	Supermarkets shopping	3%
	Other categories	10%

APPENDIX B; FEES

	Online237 Express	Pack Fee	Shipping cost Contribution	Return of Online237
Small	Ksh20/item per week	Ksh 30/package	Ksh 50/package	Ksh50/item
Medium	Ksh50/item per week	Ksh100/package	Ksh100/package	Ksh200/item
Large	Ksh 100/item per week	Ksh 200/package	Ksh 200/package	Ksh550/item
Fashion	Ksh5/item per month	Ksh 30/package	Ksh 50/package	Ksh50/item
FMCG and selected Beauty and Baby	Ksh 5/item per month	Ksh 20/package	Ksh 25/package	

APPENDIX C. FINES

Breach	Penalty
Out of Stock (OOS): all items cancelled by vendor/ Online237 before the order is shipped due to unavailability or delay.	2 x standard commission for each item out of stock with a minimum of 200 KSH if within 48 hrs and 450 KSH is after 48hr and a maximum of 800 KSH
Returns: All items returned by customer due to vendor related reasons.	Small=100 Medium=200 Large= 400

Penalty charges will be capped at maximum of Kshs 1,000 per item and a minimum of KSH 250.



TWO THIRTY SEVEN SERVICES

Clairbourn Towers 4th Floor (Kwame Nkrumah Strt) 0700 237 000 0738 237 000

APPENDIX D. PAYMENT SCHEDULE

All Vendors will by default be on a monthly payment schedule. However, Suppliers meeting the threshold of sales of KSH 50,000 per week will be eligible to be paid weekly.

Monthly payments: Payments will be made on the 3rd working day after the month end.

Weekly payments: Payments will be made by the end of the 3rd working day, after the end of each week. The end of the week for this purpose is assumed to be Sunday.

-END-

